Page 1 of 4

Electronically Recorded Official Public Records

Tarrant County Texas

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\$28.00

Suzanne Henderson

Submitter: SIMPLIFILE



HARDING COMPANY 13465 Midway Road, Suite 400 Dallas. Texas 75244

Submitter: HARDING COMPANY

SUZANNE HENDERSON TARRANT GOUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD.

ELECTRONICALLY RECORDED BY SIMPLIFILE Kaprelian, Sean

By: _____

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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BEGAUSE OF GOLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW. NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid-Up With 640 Acres Pooling Provision

ICode:13341

PAID-UP OIL AND GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT is made this day of South States. 2005 by and between Sean Alan Kaprelian and Lori E. Kaprelian, husband and wife whose address is 9116 Hialeah Circle S North Richland Hills. Texas 76182, as Lessor, and CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company, whose address is P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described that the premisers:

land, hereinafter called leased premises:

See attached Exhibit "A" for Land Description

in the County of <u>Tarrant</u>. State of TEXAS, containing <u>0.2482</u> gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of <u>5 (five)</u> years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

- the amount of any shufuin royalties hereunder, the number of gross across above specimes or search yet mor of single years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as foliows: (a) For oil and other liquid hydrocarbons separated at Lessee's sparator facilities, the royalty shall be <u>25.00%</u> of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead or narket price then prevailing in the same field, then in the nearest field in which there is proceeds realized by Lessee from the sale thereon, less a proportionate pant of ad valorem traxes and production, severance, or other exides texes and the costinuate by Lessee in delivering processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price pati of which there is such a prevailing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price pati of the end of the primary term or any time thereafter one or more wells on the lesseed premises or lands pooled therewith are capable of either production of emiliar quality in the same field, for if there is no such price then be prevailing in the same field, for the primary term or any time thereafter on or more wells on the lesseed premises or lands pooled therewith are capable of either production of the primary term or any time thereafter on or more wells on the les

- to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect me leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

 6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or a horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority; having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means a well in which the horizontal component of the gross
- of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferse to satisfy such obligations with respect to the transferred interest shall not affect the rights or beaver the payor tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in his lease then

Initials 5415 M

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shaft have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of world on the production. Lessee may use in such operations, the drilling of world or transport production. Lessee may use in such operations, free of cost, and, or of the recovery of the production and use of roads, canads, pipelines, society water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the lessed premises or lands pooled therewith, the ancillary rights gramed herein shat apply (a) to the entire lessed premises described in Paragraph 1 above, notwithstanding any partial and pooled therewith, the ancillary rights gramed herein shat apply (a) to the entire lessed premises described in Paragraph 1 above, notwithstanding any partial applications of the lesses of the production of the lesses of the partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the lessed premises or lands pooled therewith, the ancillary rights and the production of the pr

17. This tease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)	Lowkanelian
See Williams	LOEI E. KAPRELIAN
SEAN ALAN KAORELIAN	LORI E. RAPRELIAN
165506	1-85508
	ACKNOWLEDGMENT
STATE OF TEXAS	
COUNTY OF TARRANT This instrument was acknowledged before me on the	day of SEPT, 2008 by SEAN ALAN KAPRELIAN
This instrument was acknowledged before the off the	
LUKAS GRANT KRUEGER Notary Public, State of Texas My Commission Expires	Notary Public, State of Texas Notary's name (printed) LUKAS CRASH KRUGAR Notary's commission expires: FREQUERY 12, 70,72
February 19, 2012	
STATE OF TEXAS	ACKNOWLEDGMENT
COUNTY OF TARRANT This instrument was acknowledged before me on the	day of SEPT, 2009, by LORI E. KAPPELIAN
LUKAS GRANT KRUEGER Notary Public, State of Texas My Commission Expires February 19, 2012 CORPO	Notary Public, State of Texas Notary's name (printed): Lukes Grant Churche Notary's commission expires: Fabruary R, Zo; Z. DRATE ACKNOWLEDGMENT
STATE OF TEXAS	
COUNTY OF	day of 20 by of
This instrument was acknowledged before me on thecorpor	ation, on behalf of said corporation.
	Notary Public, State of Texas Notary's name (printed): Notary's commission expires:
RE	CORDING INFORMATION
STATE OF TEXAS	
County of	
M., and duly recorded in	day of o'clock
Book, Page, of the	_ records of this office.
	Ву
	Clerk (or Deputy)

Initials SOK YM

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Exhibit "A" Land Description

From time to time Lessee may determine that some part or all of the Leased Premises should be more specifically described, in which case Lessor agrees to execute any substitute Lease(s) or correction to Lease(s) tendered by Lessee for such re-description.

0.2482 acre(s) of land, more or less, situated in the D. Moses Survey, Abstract No. 1150, and being Lot 7, Block 14, Oak Hills Addition, Phase II an Addition to the City of North Richland Hills, Tarrant County, Texas according to the Plat thereof recorded in Volume/Cabinet A, Page/Slide 2977 of the Plat Records of Tarrant County, Texas, and being further described in that certain General Warranty Deed recorded on 06/29/2007 in Instrument D207228192 of the Official Records of Tarrant County, Texas.

ID: 30588-14-7,

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